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Lisa R. Youngers
Associate Counsel

May 4, 2001

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1133 Nineteenth Street, NW
Washington, DC 20036
202 736 6325
Fax 202 736 6359

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Mr. Mark Stone
Accounting Safeguards Division
Common Carrier Bureau
Federal Communications Commission
445 12th St., SW
Washington, DC 20554

Re: *In re GTE Corp. Transferor and Bell Atlantic Corp., Transferee for Consent to Transfer Control*
CC Docket No. 98-184

Dear Mr. Stone:

On April 4, 2001, Verizon filed an Ex Parte with the Federal Communications Commission ("Commission") in the above-referenced docket, proposing several changes to the Carrier-to-Carrier Performance Assurance Plan ("Performance Plan"). Verizon's April 4, 2001 Ex Parte (hereinafter referred to as the "Proposal") represented a culmination of meetings held with Commission staff and letters to staff over the past few months as part of Verizon's semi-annual review of the Performance Plan.¹ Verizon's Ex Parte requests that the Commission provide its concurrence with the Proposal prior to Verizon's implementation of the changes in the Performance Plan. WorldCom believes that there are problems with the Proposal that need to be considered by the Commission and that the Proposal should be modified as described in this letter.

First, Verizon attempts to link remedy payments for Flow Through to Missing FOC/Reject intervals. The Commission should not adopt the connection Verizon is trying to make between these two intervals. The fact that an order or other type of transaction drops from flow through to mechanized handling means that the interval goes from two hours (standard associated with Flow Through) to 24 hours (standard associated with FOC/Reject intervals). For confirmations, this means that the customer may have to wait a day longer before learning of the committed due date. For rejects, this means the due date for the customer is pushed back at least a day later or longer. Additionally, the possibility of later and later due dates is exacerbated by the fact that competitive local exchange carriers ("CLECs") may also face several other rejects

¹ *In re Application of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License*, Memorandum Opinion and Order, CC Docket No. 98-184 (Jun. 16, 2000) ("Merger Order"), Attachment A, ¶ 4.

because all of the errors are not picked up on by Verizon's first edit, as only one error at a time is captured. Some of these rejects may even require a call to Verizon for clarification and possibly lead to further disputes regarding the validity of the reject. The end result is that the 24 hour rejection period leads inevitably to due date delays, while several two hour rejections, on the other hand, can be fixed without losing the original due date requested.

Additionally, to WorldCom's knowledge there are no state remedy plans that include such a link between flow through and timely confirmations and rejections. In New York for instance, the Special Measures Section of the New York Performance Assurance Plan has individual remedy amounts for Late Electronic Data Interface ("EDI") Notifiers and Flow Through that are triggered separately.

With respect to flow through benchmarks, Verizon's Proposal includes a number of problems. As an initial matter, Verizon's Proposal suggests a Total Flow Through benchmark for the legacy Bell Atlantic states, but recommends an Achieved Flow Through rate for the legacy GTE territories. This difference is unsupported. It is WorldCom's position that it is both of these types of flow through metrics that are needed throughout the Verizon territory.

With respect to both the Total Flow Through benchmark and the Achieved Flow Through rate, Verizon's proposed flow through benchmarks fall far short of the needed rates. Specifically, in the legacy Bell Atlantic region, Verizon is proposing to separate UNE-P from other UNEs but it still is proposing low flow through rates for UNE-P. WorldCom believes that the 80% Total Flow Through rate set as the benchmark in the Massachusetts and New York state performance plans should be the standard for the rest of the Bell Atlantic states. When UNE-P orders are reported on an aggregated basis with UNE-loop orders, the result can be that even if CLECs are ordering more loops than UNE-P there may still be a lower overall flow through rate. But in separating out UNE-P from loop orders, the 80% Total Flow Through rate reached in New York may be reached elsewhere for UNE-P when measured separately.

Verizon also has offered no support to suggest why the flow through rates are different in the various parts of the Verizon region nor why the rate is different when UNE-P reporting is disaggregated. WorldCom is not ordering anything different in UNE-P in Pennsylvania, versus New York, for instance, and so Verizon should be achieving the same flow through rates. Verizon's proposal of different flow through rates within its region suggests that Verizon has not done the same programming throughout its territory with respect to the types of UNE-P orders that should flow through. It is unlikely that other CLECs are ordering more complex UNE-P orders in any particular state that would cause such differences in the flow through rates.


With respect to UNE-loops specifically, it appears that the rates in Verizon's Proposal are lower than carriers are experiencing in New York. The Achieved Flow Through rate for all Verizon states should be at least 95%. Interestingly, in Verizon's Proposal, this measure is structured so that only orders that are designed to flow through

are being measured. Consequently, the flow through rate for this measure should be high. For this reason, the Commission should reject Verizon's proposal of a 10% rate for some of the GTE states as baseless and illogical.

It is WorldCom's position that if the Commission chooses to accept the Verizon Proposal, it should make WorldCom's recommended changes as proposed herein.

If you have any questions or WorldCom can provide further information, please do not hesitate to contact the undersigned at (202)736-6325.

Sincerely,

A handwritten signature in black ink, reading "Lisa R. Youngers". The signature is fluid and cursive, with the first name "Lisa" being the most prominent.

Lisa R. Youngers

cc: Tony Dale, FCC
Karen Kinard, WorldCom